

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Into  
Implementation of Assembly Bill 1149 Regarding  
Underground Electric and Communications  
Facilities.

Rulemaking 00-01-005

**PRELIMINARY SCOPING MEMO AND RULING  
SCHEDULING PREHEARING CONFERENCE FOR APRIL 8, 2002,  
AND ORDERING A MEET AND CONFER CONFERENCE**

**Summary**

This ruling includes a preliminary scoping memo that sets forth some of the issues to be addressed in Phase II of this proceeding and schedules a Prehearing Conference (PHC) for Monday, April 8, 2002, at 2:00 p.m., in the Commission Courtroom, State Office Building, 505 Van Ness Avenue (at McAllister), San Francisco, California. Parties are ordered to meet and confer before the PHC to discuss additional issues for inclusion in this phase of the proceeding and to coordinate a hearing schedule.

**Background**

On January 6, 2000, the Commission instituted a rulemaking into the implementation of Assembly Bill (AB) 1149, (Stats. 1999, Ch. 844) which requires the Commission to conduct a study as to ways to amend, revise, and improve the rules for the conversion of existing overhead electric and communications lines to underground service. The study is divided into two phases: Phase I consisted of workshops, public participations hearings, written comments and reply

comments, and resulted in an interim decision, issued December 11, 2001; and Decision 01-12-009 Phase II will begin with a PHC on April 8, 2002, and will include evidentiary hearings. A final scooping memo will follow the PHC and will set forth the procedural schedule and finalize the scope of the Phase II proceeding.

### **Interim Order**

The Phase I interim opinion, issued October 4, 2001, expanded the electric utilities' Conversion Tariff, Rule 20, by expanding the Rule 20A criteria; extending the use of Rule 20A funds; allowing cities to mortgage 20A funds for five years; requiring standardized reporting from the utilities; improving communication between utilities and residents; and ordering the creation of an up-dated Undergrounding Planning Guide. The interim order also identified issues for the Phase II proceeding that will require hearings.

Phase II will cover the following issues: should we establish standards for conversion projects so third parties can competitively bid projects with no compromise of quality, safety, or reliability; are incentive mechanisms an effective cost management tool; should there be a "breakpoint"<sup>1</sup> in allowing new overhead pole and line installations, or is the current exemption process working; are there benefits to listing the charges for undergrounding as a line item on utility bills; and is there a fair and equitable, competitively neutral recovery mechanism for telecommunications carriers to recover their undergrounding costs.

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<sup>1</sup> In this context, a break point would denote where there would be no further installations of overhead lines. The granting of exemptions for new construction is frustrating the overall goals of the program.

In conjunction with investigating the above topics, the Commission will also want evidence on the cost per mile of conversion projects, and whether underground utilities are safer and/or more reliable in catastrophic situations such as fire and earthquakes.

Parties are encouraged to suggest additional topics for coverage in Phase II.

### **Meet and Confer**

The three electric utilities, Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company are directed to coordinate a meet and confer conference in advance of the April 8, 2002, PHC and file and serve a joint PHC statement by April 3, 2002. This meet and confer is for the purpose of identifying, expanding, and/or narrowing topics and issues for inclusion in the Phase II proceeding, discussing the time necessary for cross examination, and establishing a proposed procedural schedule that includes dates for the service of testimony and for hearings. Because of the size of the service list, it may be impracticable to hold this meet and confer in person, so the utilities may circulate a suggested topic list and procedural schedule and invite parties to comment via e-mail or telephone. Parties will also have an opportunity at the PHC to comment on the proposed list of topics and the procedural schedule.

### **Electronic Service**

Pursuant to an ALJ ruling issued in Phase I of this proceeding, all appearances that can provide the Commission with an electronic mail address to serve documents, are to serve and accept service by electronic mail. That ruling will apply to Phase II of this proceeding. Service by electronic mail will be used in lieu of paper mail where an electronic address has been provided. Any

appearance who has not provided an electronic mail address shall provide a fax number and/or a phone number, if available, so appearances without electronic mail can receive information in an expedited manner. Any appearance without electronic mail shall serve and take service by paper mail as described in Rule 2.3(a).<sup>2</sup> This ruling does not change the rules regarding the tendering of documents for filing, which must be done in paper form, as described in Rule 2, *et seq.*

The current service lists for active proceedings are available on the Commission's web page, [www.cpuc.ca.gov](http://www.cpuc.ca.gov). Choose "Service Lists," and scroll to the proceeding number, Rulemaking 00-01-005. Parties are reminded to contact the Commission's Process Office to update address information when necessary so that the current service list is as up-to-date and accurate as possible.

Therefore, **IT IS RULED** that:

1. Parties shall meet and confer informally to discuss topics and a hearing schedule for Phase II of this proceeding and file a Joint Prehearing Conference (PHC) statement by close of business on April 3, 2002.

2. A PHC in Phase II of this proceeding will be held at 2:00 p.m. on April 8, 2002, in the Commission Courtroom located at 505 Van Ness Avenue, San Francisco, California.

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<sup>2</sup> Commission Rules of Practice and Procedure, which are codified at Chapter 1, Division 1 of Title 20 of the California Code of Regulations.

3. Electronic mail service protocols established for Phase I of this proceeding are applicable to Phase II

Dated February 27, 2002, at San Francisco, California.

/s/ Carol Brown  
Carol Brown  
Administrative Law Judge

**CERTIFICATE OF SERVICE**

I certify that I have by mail this day served a true copy of the original attached Preliminary Scoping Memo and Ruling Scheduling Prehearing Conference for April 8, 2002, and Ordering a Meet and Confer Conference on all parties of record in this proceeding or their attorneys of record.

Dated February 27, 2002, at San Francisco, California.

/s/ Antonina V. Swansen  
Antonina V. Swansen

**N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.

